SENATE/HOUSE FILE \_\_\_\_\_

BY (PROPOSED UNDERGROUND STORAGE TANK FUND BOARD BILL)

## A BILL FOR

- 1 An Act relating to underground storage tanks, including by
- 2 creating the Iowa tanks fund and Iowa tanks fund financing
- 3 program, repealing the Iowa comprehensive petroleum
- 4 underground storage tank fund, and eliminating the Iowa
- 5 comprehensive petroleum underground storage tank fund board,
- 6 and including effective date and transition provisions.
- 7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 DIVISION I IOWA TANKS FUND 2 Section 1. Section 455B.471, subsection 1, Code 2020, is 3 4 amended by striking the subsection. 5 Sec. 2. Section 455B.471, Code 2020, is amended by adding 6 the following new subsections: NEW SUBSECTION. "Claimant" means an owner or operator lA. 8 who has received assistance under the Iowa tanks fund or its 9 predecessor, the Iowa comprehensive petroleum underground 10 storage tank fund created in section 455G.3, Code 2019. NEW SUBSECTION. 1B. "Community remediation" means a 11 12 curriculum of coordinated testing, planning, or remediation 13 involving two or more tank sites potentially connected with a 14 continuous contaminated area, pursuant to rules adopted by the 15 commission under section 455B.474. A community remediation 16 does not expand the scope of coverage otherwise available or 17 relieve liability otherwise imposed under state or federal law. 2A. "Costs" means all costs, charges, 18 NEW SUBSECTION. 19 expenses, or other indebtedness incurred by a claimant that 20 are determined by the department to be reasonable for carrying 21 out all works and undertakings necessary or incidental to the 22 accomplishment of any project. "Costs" includes reasonable 23 attorney fees and costs of litigation for which moneys are 24 expended from the fund in connection with a release. 3A. "Insurance" means any form of financial NEW SUBSECTION. 26 assistance or showing of financial responsibility sufficient 27 to comply with the federal Resource Conservation and Recovery 28 Act, 42 U.S.C. §6901 et seq., or the department's underground 29 storage tank financial responsibility rules. 30 NEW SUBSECTION. 7A. "Potentially responsible party" means 31 a person who may be responsible or liable for a release for

34 <u>NEW SUBSECTION</u>. 7B. "Program" means the Iowa tanks fund

32 which payments from the fund were made for corrective action or

35 financing program created pursuant to section 455B.472A.

33 third-party liability.

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- NEW SUBSECTION. 10A. "Third-party liability" means any of the following:
- 3 a. Property damage including physical injury to tangible
- 4 property, but not including loss of use. Property damage does
- 5 not include costs to remediate.
- 6 b. Bodily injury including sickness, physical injury, or 7 death.
- 8 Sec. 3. Section 455B.471, subsection 3, Code 2020, is
- 9 amended to read as follows:
- 10 3. "Fund" means the Iowa comprehensive petroleum underground
- 11 storage tank tanks fund created in section 455B.472A.
- 12 Sec. 4. Section 455B.472, Code 2020, is amended to read as
- 13 follows:
- 14 455B.472 Declaration of policy.
- 15 The general assembly finds that the release of regulated
- 16 substances from underground storage tanks constitutes a
- 17 threat to the public health and safety and to the natural
- 18 resources of the state, and that existing regulatory programs
- 19 of the department and other agencies do not adequately or
- 20 appropriately address this substantial public concern.
- 21 Additionally, the general assembly recognizes that because the
- 22 appropriation of moneys to the Iowa comprehensive petroleum
- 23 underground storage tank fund created in section 455G.3, Code
- 24 2019, ended on December 31, 2016, it is in the public interest
- 25 to expeditiously use any remaining moneys from the Iowa
- 26 comprehensive petroleum underground storage tank fund to assist
- 27 as many owners as possible with financing all or part of the
- 28 costs of corrective action for petroleum releases from leaking
- 29 underground storage tanks through the establishment of the Iowa
- 30 tanks fund financing program. The financing program shall last
- 31 as long as moneys remain available, and the general assembly
- 32 recognizes that moneys available for the financing program will
- 33 eventually be depleted.
- 34 Sec. 5. NEW SECTION. 455B.472A Iowa tanks fund financing
- 35 program fund created.

- 1 1. The department shall establish and administer an Iowa
- 2 tanks fund financing program for the purpose of reimbursing
- 3 eligible claimants for all or part of the costs of corrective
- 4 action for petroleum releases previously eligible for payment
- 5 from the Iowa comprehensive petroleum underground storage tank
- 6 fund pursuant to chapter 455G, Code 2019.
- The department shall distribute financial assistance, up
- 8 to one million dollars total, for work conducted by eligible
- 9 entities that comply with the requirements of the program.
- 10 department shall determine if work completed is eligible for
- ll reimbursement under the program.
- 12 The department may enter into and provide any agreements,
- 13 documents, instruments, certificates, data, or information
- 14 necessary in connection with the operation, administration, and
- 15 financing of the program consistent with this part, the federal
- 16 Resource Conservation and Recovery Act, 42 U.S.C. §6901 et
- 17 seq., the rules of the commission, and other applicable federal
- 18 and state law.
- The department may act to conform the program to the
- 20 applicable guidance and regulations adopted by the United
- 21 States environmental protection agency.
- 22 The Iowa tanks fund is created in the state treasury
- 23 under the control of the department. The fund shall consist
- 24 of moneys appropriated or transferred to the fund, interest
- 25 attributable to moneys in the fund, moneys in the form of
- 26 a devise, gift, bequest, donation, federal or other grant,
- 27 reimbursement, repayment, judgment, or payment from any source
- 28 intended to be used for the purposes of the fund, all receipts
- 29 by the fund, and any other moneys credited to the fund from any
- 30 public or private source. Notwithstanding section 8.33, any
- 31 moneys in the fund shall not revert to the general fund of the
- 32 state. Notwithstanding section 12C.7, subsection 2, interest
- 33 or earnings on moneys in the fund shall be credited to the 34 fund.
- 35
  - 6. The department shall administer the fund to carry out

1 the purposes of the program and shall manage the revenue,

- 2 administration, restrictions, and disposition of the fund.
- 3 7. Moneys in the fund shall be used to reimburse tank owners
- 4 for all or part of the costs of a corrective action for a
- 5 petroleum release and for permanent closure of an underground
- 6 storage tank system under the program, for tank operator
- 7 training, and for administrative costs of the department
- 8 associated with the program.
- 9 8. Moneys in the fund are not considered part of the general
- 10 fund of the state and are not subject to appropriation for any
- 11 other purpose by the general assembly. The fund is a separate
- 12 dedicated fund under the administration and control of the
- 13 department.
- 9. Payments for reimbursement or other costs relating to any
- 15 claim or cause of action in connection with a tank not owned or
- 16 operated by the state or an agency of the state shall be made
- 17 solely from the fund and no liability is otherwise imposed upon
- 18 the state. Moneys from the fund are limited to the extent of
- 19 coverage provided by the applicable account within the fund
- 20 under which a claim is submitted, subject to the terms and
- 21 conditions of that coverage. A court, an administrative law
- 22 judge, the department, or the commission shall not order or
- 23 approve a remedy that would require the fund to exceed the
- 24 fund's then current funding limitations to satisfy an award
- 25 or that would restrict the availability of moneys for higher
- 26 priority sites. The state is not otherwise liable for a claim
- 27 related to the fund and moneys from the general fund shall not
- 28 be used to pay for reimbursement or other costs relating to any
- 29 claim or cause of action in connection with a tank not owned or
- 30 operated by the state or an agency of the state.
- 31 Sec. 6. NEW SECTION. 455B.472B Cost recovery enforcement.
- 32 1. Full recovery sought by department. The department
- 33 may seek full recovery from an owner, operator, or other
- 34 potentially responsible party liable for a release that is the
- 35 subject of a corrective action for which moneys from the fund

1 are expended, or for which moneys from the Iowa comprehensive

- 2 petroleum underground storage tank fund created in section
- 3 455G.3, Code 2019, were expended, including for third-party
- 4 liability and for all other costs. If federal cleanup moneys
- 5 are recovered, the federal cleanup moneys shall be used solely
- 6 for the purpose of future cleanup activities.
- 7 2. Limitation of liability of owner or operator. Except
- 8 as provided in subsection 3, the department shall not seek
- 9 recovery for expenses in connection with corrective action for
- 10 a release from an owner or operator eligible for assistance
- 11 under the program, except for any unpaid portion of the
- 12 deductible or copayment. This section does not affect any
- 13 authorization of the department to impose or collect civil or
- 14 administrative fines, penalties, or fees. Moneys from the fund
- 15 shall not be used to pay for any third-party liability.
- 16 3. Owner or operator not in compliance. Notwithstanding
- 17 subsection 2, the liability of an owner or operator shall be
- 18 the full and total costs of corrective action and bodily injury
- 19 or property damage to third parties, as specified in subsection
- 20 1, if the owner or operator has not complied with the financial
- 21 responsibility or other underground storage tank rules of the
- 22 department or with this part or rules adopted under this part.
- 23 4. Lien on tank site. Any amount for which an owner or
- 24 operator is required to pay to the fund by statute, rule,
- 25 contract, or determination of liability by the department after
- 26 hearing, if not paid when due, shall constitute a lien upon the
- 27 real property where the tank that was the subject of corrective
- 28 action is located, and the payment shall be collected in the
- 29 same manner as the environmental protection charge pursuant to
- 30 section 424.11, Code 2016.
- 31 5. Joinder of parties. The department has standing in
- 32 any case or contested action related to the fund or a tank
- 33 to assert any claim that the department may have regarding
- 34 the tank at issue in the case or contested action. Upon
- 35 motion and sufficient showing by a party to a cost recovery or

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1 subrogation action provided for under this section, the court

- 2 or the administrative law judge shall join to the action any
- 3 potentially responsible party who may be liable for costs and
- 4 expenditures of the type recoverable pursuant to this section.
- 6. Third-party contracts. An insurance, indemnification,
- 6 hold-harmless, conveyance, or similar risk-sharing or
- 7 risk-shifting agreement shall not be effective to transfer
- 8 any liability for costs recoverable under this section. The
- 9 department may proceed directly against the owner, operator, or
- 10 other potentially responsible party. This section does not bar
- 11 any agreement to insure, hold harmless, or indemnify a party to
- 12 the agreement for any costs or expenditures under this part,
- 13 and does not modify rights between the parties to an agreement,
- 14 except to the extent the agreement shifts liability to an owner
- 15 or operator eligible for assistance under the program for any
- 16 damages or other costs in connection with a corrective action
- 17 for which another potentially responsible party is or may be
- 18 liable. Any such provision is void and of no further force and
- 19 effect.
- 20 7. Later proceedings permitted against other parties. The
- 21 entry of judgment against a party to the action does not
- 22 bar a future action by the department against another person
- 23 who is later alleged to be or discovered to be liable for
- 24 costs and expenditures paid from the fund. Notwithstanding
- 25 section 668.5, a potentially responsible party shall not seek
- 26 contribution or any other recovery from an owner or operator
- 27 eligible for assistance under the program for damages or other
- 28 costs in connection with corrective action for a release for
- 29 which the potentially responsible party is or may be liable.
- 30 Subsequent successful proceedings against another party shall
- 31 not modify or reduce the liability of a party against whom
- 32 judgment has been previously entered.
- 33 8. Claims against potentially responsible parties.
- 34 a. Upon payment from the fund for corrective action or
- 35 third-party liability pursuant to this part, the rights of the

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1 claimant to recover payment from any potentially responsible

- 2 party are assumed by the department to the extent paid from the
- 3 fund. A claimant shall not receive double compensation for the
- 4 same injury.
- 5 b. In an action brought pursuant to this part seeking
- 6 damages for corrective action or third-party liability, the
- 7 court shall allow evidence and argument as to the replacement
- 8 or indemnification of actual economic losses incurred or to be
- 9 incurred in the future by the claimant by reason of insurance
- 10 benefits, governmental benefits or programs, or other sources.
- 11 c. A claimant may elect to authorize the department
- 12 to pursue the claimant's cause of action for any injury
- 13 not compensated from the fund against any potentially
- 14 responsible party, provided the attorney general determines
- 15 such representation would not be a conflict of interest. If
- 16 a claimant so elects, the department's litigation expenses
- 17 shall be shared on a pro rata basis with the claimant, but the
- 18 claimant's share of litigation expenses is payable exclusively
- 19 from any share of the settlement or judgment payable to the
- 20 claimant.
- 9. Exclusion of punitive damages. Moneys from the fund
- 22 shall not be used to pay punitive damages.
- 23 Sec. 7. NEW SECTION. 455B.472C Discretionary rulemaking.
- 24 1. The commission may adopt rules pursuant to chapter
- 25 17A conditioning receipt of moneys from the fund to those
- 26 petroleum-contaminated properties that present a higher degree
- 27 of risk to the public health and safety or the environment and
- 28 providing for denial of moneys from the fund to a person who
- 29 did not make a good-faith attempt to comply with this part.
- 30 This subsection does not confer a legal right to an owner of a
- 31 petroleum-contaminated property, or an owner or operator of an
- 32 underground storage tank located on the property, for receipt
- 33 of moneys under this part.
- 34 2. The commission may adopt rules pursuant to chapter
- 35 17A providing for the transfer of all or a portion of the

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1 liabilities relating to the fund. Notwithstanding any other
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- 2 provision to the contrary, the department, upon such transfer,
- 3 shall not maintain any duty to reimburse claimants for those
- 4 liabilities transferred.
- 5 Sec. 8. Section 455B.474, subsection 1, paragraph a,
- 6 subparagraph (6), subparagraph divisions (g), (i), and (j),
- 7 Code 2020, are amended to read as follows:
- 8 (q) An owner or operator may elect to proceed with
- 9 additional corrective action on the site. However, any
- 10 action taken in addition to that required pursuant to this
- 11 subparagraph (6), shall be solely at the expense of the owner
- 12 or operator and shall not be considered corrective action
- 13 for purposes of section 455G.9 455B.472A, unless otherwise
- 14 previously agreed to by the board department and the owner or
- 15 operator pursuant to section 455G.9, subsection 7 455B.472A.
- 16 Corrective action taken by an owner or operator due to the
- 17 department's failure to meet the time requirements provided in
- 18 subparagraph division (e) shall be considered corrective action
- 19 for purposes of section 455G.9 455B.472A.
- 20 (i) Replacement or upgrade of a tank on a site classified
- 21 as a high or low risk site shall be equipped with a secondary
- 22 containment system with monitoring of the space between the
- 23 primary and secondary containment structures or other board
- 24 approved tank system or methodology approved by the department.
- 25 (j) The commission and the board department shall cooperate
- 26 to ensure that remedial measures required by the corrective
- 27 action rules adopted pursuant to this subparagraph (6) are
- 28 reasonably cost-effective and shall, to the fullest extent
- 29 possible, avoid duplicating and conflicting requirements.
- 30 Sec. 9. Section 455B.474, subsection 2, unnumbered
- 31 paragraph 1, Code 2020, is amended to read as follows:
- 32 The maintenance of evidence of financial responsibility as
- 33 the director determines to be feasible and necessary for taking
- 34 corrective action and for compensating third parties for bodily
- 35 injury and property damage caused by release of a regulated

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- 1 substance from an underground storage a tank.
- 2 Sec. 10. Section 455B.474, subsection 9, paragraph d, Code
- 3 2020, is amended to read as follows:
- 4 d. The certification of groundwater professionals shall not
- 5 impose liability on the board, the department, or the fund for
- 6 any claim or cause of action of any nature, based on the action
- 7 or inaction of a groundwater professional certified pursuant
- 8 to this subsection.
- 9 Sec. 11. Section 455B.474, Code 2020, is amended by adding
- 10 the following new subsection:
- 11 NEW SUBSECTION. 11. Department practices and procedures
- 12 for implementing and administering the Iowa tanks fund
- 13 financing program. The rules shall include but are not limited
- 14 to requirements for program eligibility, investigating and
- 15 settling claims made against the fund, appeal procedures,
- 16 community remediation, prioritization of fund moneys,
- 17 funding for tank operator training, additional assessment
- 18 and corrective action arising out of releases at sites for
- 19 which a certificate of no further action has been issued, and
- 20 reimbursement for the permanent closure of an underground
- 21 storage tank system.
- 22 Sec. 12. Section 455B.477, subsection 7, Code 2020, is
- 23 amended to read as follows:
- 7. The civil penalties or other damages or moneys recovered
- 25 by the state or the petroleum underground storage tank fund
- 26 in connection with a petroleum underground storage tank under
- 27 this part of this division or chapter 455G shall be credited
- 28 to the fund created in section 455G.3 and allocated between
- 29 fund accounts according to the fund budget. Any federal
- 30 moneys, including but not limited to federal underground
- 31 storage tank trust fund moneys, received by the state or the
- 32 department of natural resources in connection with a release
- 33 occurring on or after May 5, 1989, or received generally for
- 34 underground storage tank programs on or after May 5, 1989,
- 35 shall be credited to the fund created in section 455G.3 and

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- 1 allocated between fund accounts according to the fund budget
- 2 455B.472A, unless such use would be contrary to federal law.
- 3 The department shall cooperate with the board of the Iowa
- 4 comprehensive petroleum underground storage tank fund to
- 5 maximize the state's eligibility for and receipt of federal
- 6 funds for underground storage tank related purposes.
- 7 Sec. 13. EFFECTIVE DATE. This division of this Act takes
- 8 effect July 1, 2021.
- 9 DIVISION II
- 10 CONFORMING CHANGES
- 11 Sec. 14. Section 68B.35, subsection 2, paragraph e, Code
- 12 2020, is amended to read as follows:
- 13 e. Members of the state banking council, the Iowa ethics
- 14 and campaign disclosure board, the credit union review board,
- 15 the economic development authority, the employment appeal
- 16 board, the environmental protection commission, the health
- 17 facilities council, the Iowa finance authority, the Iowa public
- 18 employees' retirement system investment board, the board of
- 19 the Iowa lottery authority, the natural resource commission,
- 20 the board of parole, the petroleum underground storage tank
- 21 fund board, the public employment relations board, the state
- 22 racing and gaming commission, the state board of regents, the
- 23 transportation commission, the office of consumer advocate, the
- 24 utilities board, the Iowa telecommunications and technology
- 25 commission, and any full-time members of other boards and
- 26 commissions as defined under section 7E.4 who receive an annual
- 27 salary for their service on the board or commission. The Iowa
- 28 ethics and campaign disclosure board shall conduct an annual
- 29 review to determine if members of any other board, commission,
- 30 or authority should file a statement and shall require the
- 31 filing of a statement pursuant to rules adopted pursuant to
- 32 chapter 17A.
- 33 Sec. 15. Section 159A.11, subsection 10, Code 2020, is
- 34 amended by striking the subsection.
- 35 Sec. 16. Section 159A.13, subsection 6, Code 2020, is

- 1 amended by striking the subsection.
- 2 Sec. 17. Section 159A.14, subsection 2, Code 2020, is
- 3 amended to read as follows:
- 4 2. A person may apply to the department to receive financial
- 5 incentives on a cost-share basis. The department shall forward
- 6 the applications to the underground storage tank fund board as
- 7 required by that board for evaluation and recommendation. The
- 8 underground storage tank fund board may rank the applications
- 9 with comments and shall forward them to the infrastructure
- 10 board for approval or disapproval. The department shall award
- 11 financial incentives on a cost-share basis to an eligible
- 12 person whose application was approved by the infrastructure
- 13 board.
- 14 Sec. 18. Section 159A.15, subsection 1, Code 2020, is
- 15 amended to read as follows:
- 16 l. A person may apply to the department to receive financial
- 17 incentives on a cost-share basis. The department shall forward
- 18 the applications to the underground storage tank fund board as
- 19 required by that board for evaluation and recommendation. The
- 20 underground storage tank fund board may rank the applications
- 21 with comments and shall forward them to the infrastructure
- 22 board for approval or disapproval. The department shall award
- 23 financial incentives on a cost-share basis to an eligible
- 24 person whose application was approved by the infrastructure
- 25 board.
- Sec. 19. Section 323.1, subsection 16, Code 2020, is amended
- 27 to read as follows:
- 28 16. "Storage tank" means a motor fuel storage tank as
- 29 defined in section 214.1, including an underground storage tank
- 30 subject to regulation under chapter 455G 455B, division IV,
- 31 part 8, or section 455G.31.
- 32 Sec. 20. Section 422.7, subsection 2, paragraph u, Code
- 33 2020, is amended by striking the paragraph.
- Sec. 21. Section 455B.174, subsection 4, paragraph d, Code
- 35 2020, is amended to read as follows:

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- 1 d. If a public water supply has a groundwater source
- 2 that contains petroleum, a fraction of crude oil, or their
- 3 degradation products, or is located in an area deemed by the
- 4 department as likely to be contaminated by such materials, and
- 5 after consultation with the public water supply system and
- 6 consideration of all applicable rules relating to remediation,
- 7 the department may require the public water supply system to
- 8 replace that groundwater source in order to receive a permit
- 9 to operate. The requirement to replace the source shall only
- 10 be made by the department if the public water supply system
- 11 is fully compensated for any additional design, construction,
- 12 operation, and monitoring costs from the Iowa comprehensive
- 13 petroleum underground storage tank fund created by chapter
- 14 455G or from any other funds that do not impose a financial
- 15 obligation on the part of the public water supply system.
- 16 Funds available to or provided by the public water supply
- 17 system may be used for system improvements made in conjunction
- 18 with replacement of the source. The department cannot require
- 19 a public water supply system to replace its water source with a
- 20 less reliable water source or with a source that does not meet
- 21 federal primary, secondary, or other health-based standards
- 22 unless treatment is provided to ensure that the drinking water
- 23 meets these standards. Nothing in this paragraph shall affect
- 24 the public water supply system's right to pursue recovery from
- 25 a responsible party.
- Sec. 22. Section 455E.11, subsection 2, paragraph d,
- 27 subparagraph (3), Code 2020, is amended by striking the
- 28 subparagraph.
- 29 Sec. 23. Section 455I.2, subsection 5, paragraph a, Code
- 30 2020, is amended to read as follows:
- 31 a. A federal or state program that is subject to the
- 32 jurisdiction of an agency, including but not limited to
- 33 programs established by chapters chapter 455B and 455G,
- 34 corrective or response actions pursuant to 42 U.S.C. §6901 et
- 35 seq., and remedial actions under 42 U.S.C. §9601 et seq.

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- 1 Sec. 24. EFFECTIVE DATE. This division of this Act takes 2 effect July 1, 2021.
- 3 DIVISION III
- 4 REPEAL AND TRANSITION
- 5 Sec. 25. NEW SECTION. 427B.23 Future repeal.
- 6 This subchapter is repealed July 1, 2021. All credits
- 7 existing upon repeal of this subchapter shall continue until
- 8 their expiration.
- 9 Sec. 26. NEW SECTION. 455G.22A Claims not eligible.
- 10 A claim for a release filed on or after January 1, 2021,
- 11 shall not be eligible for payment from the fund.
- 12 Sec. 27. NEW SECTION. 455G.22B Future repeal.
- 13 This subchapter is repealed July 1, 2021.
- 14 Sec. 28. TRANSITION PROVISIONS.
- 1. Upon repeal of chapter 455G, subchapter 1, and the
- 16 creation of the Iowa tanks fund pursuant to section 455B.472A,
- 17 as enacted in this Act, all moneys in all funds administered by
- 18 the Iowa comprehensive petroleum underground storage tank fund
- 19 board are transferred to the department of natural resources
- 20 for deposit in the Iowa tanks fund. Any moneys credited to
- 21 any fund administered by the Iowa comprehensive petroleum
- 22 underground storage tank fund board on and after July 1, 2021,
- 23 are transferred to the department for deposit in the Iowa tanks 24 fund.
- 25 2. Any rule, regulation, form, order, or directive
- 26 promulgated by the Iowa comprehensive petroleum underground
- 27 storage tank fund board as required to administer and enforce
- 28 the provisions relating to the Iowa comprehensive petroleum
- 29 underground storage tank fund shall continue in full force
- 30 and effect under the jurisdiction of the department of
- 31 natural resources until amended, repealed, or supplemented by
- 32 affirmative action of the department.
- 33 3. The Iowa comprehensive petroleum underground storage
- 34 tank fund board shall administratively close or terminate
- 35 any remaining liabilities, contracts, outstanding claims,

1 payments, or other obligations for open comprehensive petroleum

- 2 underground storage tank fund claims existing on or before June
- 3 30, 2021.
- 4. The department of natural resources may begin
- 5 implementation of this Act prior to July 1, 2021, to the
- 6 extent necessary to transition to full implementation of the
- 7 provisions relating to the Iowa tanks fund and repeal of the
- 8 Iowa comprehensive petroleum underground storage tank fund.
- 9 EXPLANATION
- The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.
- 12 Currently, the Iowa comprehensive petroleum underground
- 13 storage tank fund exists under the control of the Iowa
- 14 comprehensive petroleum underground storage tank fund board.
- 15 The Iowa comprehensive petroleum underground storage tank fund
- 16 contains an account with moneys available to fund corrective
- 17 action for petroleum releases. The Iowa comprehensive
- 18 petroleum underground storage tank fund also contains a loan
- 19 guarantee account and a marketability fund.
- This bill repeals the Iowa comprehensive petroleum
- 21 underground storage tank fund and eliminates the Iowa
- 22 comprehensive petroleum underground storage tank fund board
- 23 on July 1, 2021. The bill requires the department of natural
- 24 resources (department) to establish and administer the Iowa
- 25 tanks fund financing program to distribute financial assistance
- 26 for work conducted by eligible entities. The bill creates the
- 27 Iowa tanks fund within the state treasury under the control
- 28 of the department and requires the department to administer
- 29 the fund. The program allows a claimant who has previously
- 30 received assistance under the Iowa tanks fund or the Iowa
- 31 comprehensive petroleum underground storage tank fund to
- 32 receive reimbursement from the Iowa tanks fund for all or part
- 33 of the costs of corrective action for a petroleum release.
- 34 The bill allows for cost recovery efforts from potentially
- 35 responsible parties when moneys from the Iowa tanks fund are

- 1 used during the cleanup of contamination at a tank site. The
- 2 bill directs the environmental protection commission to adopt
- 3 rules for program eligibility, investigating and settling
- 4 claims made against the fund, appeal procedures, community
- 5 remediation, prioritization of fund moneys, funding for tank
- 6 operator training, additional assessment and corrective action
- 7 arising out of a release at a site for which a no further
- 8 action certificate has been issued, and reimbursement for
- 9 the permanent closure of an underground storage tank system.
- 10 The bill provides that claims for releases filed on or after
- 11 January 1, 2021, are not eligible for payment from the Iowa
- 12 comprehensive petroleum underground storage tank fund.
- 13 The bill includes transition provisions retaining the
- 14 effectiveness of rules, regulations, forms, orders, or
- 15 directives promulgated by the Iowa comprehensive petroleum
- 16 underground storage tank fund board until amended, repealed,
- 17 or supplemented by affirmative action of the department. Any
- 18 moneys credited to the Iowa comprehensive petroleum underground
- 19 storage tank fund on and after July 1, 2021, are transferred to
- 20 the department for deposit in the Iowa tanks fund.
- 21 The divisions of the bill establishing the Iowa tanks fund
- 22 and making conforming Code changes take effect July 1, 2021.